

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The Prayer Foundation

(A company limited by guarantee)

Charity registration number: 1123018

Company registration number: 06269030

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham
Chichester
West Sussex
PO18 8NF

THE PRAYER FOUNDATION

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THE PRAYER FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Registration Number 1123018

Company Registration Number 06269030

Trustees

Lady Susan Sainsbury
Rev Douglas Williams
Mrs Agnes Sullivan
Mrs Lois Gott (resigned 7 January 2020)
Mr Andrew Chua
Rev Rod Anderson
Rev Julie Anderson
Mr Jamie Anderson

Registered address

6 Calais Street
London
SE5 9LP

Independent Examiner

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THE PRAYER FOUNDATION

TRUSTEES' REPORT

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

Objectives and activities

Objects and aims

The object of the charitable company is the advancement of the Christian faith by such charitable means as the Trustees in their absolute discretion shall think fit. The principal activity is prayer and teaching people to pray more effectively.

Public benefit

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The charity partnered with other charities as it has in recent years with the following initiatives:

- Deborah Company UK Online Prayer Courts
- Prayer for Parliament and the Nations
- CHOSEN gatherings

The Prayer Foundation has continued to build on strong links through Rod and Julie Anderson with two other charities: Prayer for the Nations (326994) and Commonwealth Christian Fellowship (8011342).

The Trustees anticipate the work of the charity to continue despite the adverse effects of Coronavirus.

Financial review

Policy on reserves

The Trustees have determined that, in line with their belief that God provides for the work to which He calls His people, no reserves should be maintained for the work of the charity.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

THE PRAYER FOUNDATION

TRUSTEES' REPORT

Structure, governance and management

Nature of governing document

The Prayer Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

Recruitment and appointment of Trustees

New Trustees are elected by the Board periodically. New trustees are provided with historical charity documentation and referred to the Charity Commission website for guidance and publications on becoming a trustee.

Organisational structure

Day to day management and planning of the Charitable Company are delegated to two Chief Executives, Rod & Julie Anderson and their team. The Trustees are responsible for the general strategic direction, governance and financial viability and control. They monitor the activities of the Trust through regular reports, management accounts and approval of major items of expenditure. The Trustees meet around 3 times per year, or more frequently if necessary.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

THE PRAYER FOUNDATION

TRUSTEES' REPORT

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of The Prayer Foundation for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the Trustees of the charity on 2 September 2021 and signed on its behalf by:

.....
Lady Susan Sainsbury
Trustee

THE PRAYER FOUNDATION

INDEPENDENT EXAMINER'S REPORT

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 6 to 17.

Respective responsibilities of Trustees and examiner

As the charity's Trustees of The Prayer Foundation (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Prayer Foundation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The Prayer Foundation as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
G W Schulz ACMA

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2 September 2021

THE PRAYER FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies	3	125,393	-	125,393	160,775
Other trading activities	4	369	-	369	1,987
Investment income	5	<u>6</u>	<u>-</u>	<u>6</u>	<u>9</u>
Total income		<u>125,768</u>	<u>-</u>	<u>125,768</u>	<u>162,771</u>
Expenditure on:					
Raising funds		202	-	202	1,687
Charitable activities	6	<u>92,242</u>	<u>-</u>	<u>92,242</u>	<u>124,853</u>
Total expenditure		<u>92,444</u>	<u>-</u>	<u>92,444</u>	<u>126,540</u>
Net income		<u>33,324</u>	<u>-</u>	<u>33,324</u>	<u>36,231</u>
Net movement in funds		33,324	-	33,324	36,231
Reconciliation of funds					
Total funds brought forward		<u>95,083</u>	<u>15,687</u>	<u>110,770</u>	<u>74,539</u>
Total funds carried forward	14	<u><u>128,407</u></u>	<u><u>15,687</u></u>	<u><u>144,094</u></u>	<u><u>110,770</u></u>

The notes on pages 8 to 17 form an integral part of these financial statements.

THE PRAYER FOUNDATION
REGISTERED NUMBER: 06269030

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	1,128	1,474
Current assets			
Stocks	11	5,600	5,600
Debtors	12	273,085	246,852
Cash at bank and in hand		<u>19,645</u>	<u>15,882</u>
		298,330	268,334
Creditors: Amounts falling due within one year	13	<u>(155,364)</u>	<u>(159,038)</u>
Net current assets		<u>142,966</u>	<u>109,296</u>
Net assets		<u>144,094</u>	<u>110,770</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		15,687	15,687
Unrestricted income funds			
Unrestricted funds		<u>128,407</u>	<u>95,083</u>
Total funds	14	<u>144,094</u>	<u>110,770</u>

For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 17 were approved by the Trustees, and authorised for issue on 2 September 2021 and signed on their behalf by:

.....
 Lady Susan Sainsbury
 Trustee

The notes on pages 8 to 17 form an integral part of these financial statements.

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2020

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Prayer Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2020

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Gift aid

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

THE PRAYER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2020

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Short-term leasehold property	20% straight line
Fixtures and fittings	20% reducing balance
Computer equipment	33% straight line
Plant and machinery	25% reducing balance

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2020

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Donations and legacies;			
Donations	123,618	123,618	157,871
Gift aid reclaimed	<u>1,775</u>	<u>1,775</u>	<u>2,904</u>
	<u><u>125,393</u></u>	<u><u>125,393</u></u>	<u><u>160,775</u></u>

4 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2019 £
Trading income;			
Sales of resources	<u>369</u>	<u>369</u>	<u>1,987</u>
	<u><u>369</u></u>	<u><u>369</u></u>	<u><u>1,987</u></u>

5 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>6</u>	<u>6</u>	<u>9</u>

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2020

6 Expenditure on charitable activities

		Unrestricted funds General	Total 2020	Total 2019
	Note	£	£	£
Events		5,721	5,721	37,759
Filming and media		823	823	511
Rent		38,351	38,351	38,313
Repairs and maintenance		2,716	2,716	2,371
Light and heat		242	242	354
Sub-contract		8,031	8,031	3,456
Motor expenses		3,070	3,070	3,985
Travel and subsistence		84	84	289
Computer and website		9,813	9,813	10,751
Telephone		2,356	2,356	2,450
Post, printing and stationery		1,748	1,748	2,176
Insurance		308	308	294
Bank and credit card costs		(60)	(60)	1,236
Sundry expenses		297	297	133
Independent examination		2,100	2,100	2,040
Depreciation		346	346	455
Grant funding of activities	7	910	910	3,197
Staff costs	9	15,386	15,386	15,083
		<u>92,242</u>	<u>92,242</u>	<u>124,853</u>

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2020

7 Grant-making

Analysis of grants

	Grants to institutions		Grants to individuals	
	2020	2019	2020	2019
	£	£	£	£
Grants	<u>840</u>	<u>1,140</u>	<u>70</u>	<u>2,057</u>

8 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the year, two Trustees have received other benefits from the charity in performance of their duties and services on behalf of the charity which amounted to £650 (2019 - £308).

9 Staff costs

The aggregate payroll costs were as follows:

	2020	2019
	£	£
Staff costs during the year were:		
Wages and salaries	<u>15,386</u>	<u>15,083</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020	2019
	No	No
Staff	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year.

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2020

10 Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Plant and machinery £	Total £
Cost					
At 1 January 2020	<u>21,738</u>	<u>5,194</u>	<u>5,847</u>	<u>13,595</u>	<u>46,374</u>
At 31 December 2020	<u>21,738</u>	<u>5,194</u>	<u>5,847</u>	<u>13,595</u>	<u>46,374</u>
Depreciation					
At 1 January 2020	21,738	4,748	5,847	12,567	44,900
Charge for the year	<u>-</u>	<u>89</u>	<u>-</u>	<u>257</u>	<u>346</u>
At 31 December 2020	<u>21,738</u>	<u>4,837</u>	<u>5,847</u>	<u>12,824</u>	<u>45,246</u>
Net book value					
At 31 December 2020	<u>-</u>	<u>357</u>	<u>-</u>	<u>771</u>	<u>1,128</u>
At 31 December 2019	<u>-</u>	<u>446</u>	<u>-</u>	<u>1,028</u>	<u>1,474</u>

11 Stock

	2020 £	2019 £
Stocks	<u>5,600</u>	<u>5,600</u>

12 Debtors

	2020 £	2019 £
Due from group undertakings	264,557	238,045
Prepayments	8,427	8,684
Accrued income	<u>101</u>	<u>123</u>
	<u>273,085</u>	<u>246,852</u>

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2020

13 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	3,422	2,098
Other loans	147,716	154,754
Other taxation and social security	289	-
Other creditors	1,751	-
Accruals	<u>2,186</u>	<u>2,186</u>
	<u><u>155,364</u></u>	<u><u>159,038</u></u>

Other loans includes the sum loaned by an anonymous person. A loan agreement was executed stating that the loan was interest free and unsecured. A letter of support has been received by the charity which states that this loan is subrogated to other creditors of the charity and that this guarantee will remain in place until such time as the charity has sufficient funds to meet all its obligations.

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2020

14 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General				
General Funds	95,083	125,566	(92,242)	128,407
Restricted funds				
Barn purchase fund	14,687	-	-	14,687
House fund	1,000	-	-	1,000
	<u>15,687</u>	<u>-</u>	<u>-</u>	<u>15,687</u>
Total funds	<u>110,770</u>	<u>125,566</u>	<u>(92,242)</u>	<u>144,094</u>
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds				
General				
General Funds	57,852	161,084	(123,853)	95,083
Restricted funds				
Barn purchase fund	14,687	-	-	14,687
Car fund	1,000	-	-	1,000
House fund	1,000	-	(1,000)	-
	<u>16,687</u>	<u>-</u>	<u>(1,000)</u>	<u>15,687</u>
Total funds	<u>74,539</u>	<u>161,084</u>	<u>(124,853)</u>	<u>110,770</u>

THE PRAYER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2020

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	1,128	-	1,128
Current assets	282,643	15,687	298,330
Current liabilities	<u>(155,364)</u>	<u>-</u>	<u>(155,364)</u>
Total net assets	<u>128,407</u>	<u>15,687</u>	<u>144,094</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2019 £
Tangible fixed assets	1,474	-	1,474
Current assets	252,647	15,687	268,334
Current liabilities	<u>(159,038)</u>	<u>-</u>	<u>(159,038)</u>
Total net assets	<u>95,083</u>	<u>15,687</u>	<u>110,770</u>